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Hearing: December 20, 2016 at 10:00 A.M.
Objection Deadline: December 6, 2016 at 4:00 P.M.

Counsel to KeyBank, N.A.

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

DACCO Transmission Parts (NY),
Inc., *et al.*,

Debtors.

Chapter 11
Case No.: 16-13245 (MKV)
(Jointly Administered)
Refers to Docket Nos. 10 and 16

LIMITED OBJECTION AND RESERVATION OF RIGHTS BY KEYBANK, N.A.,

KeyBank, N.A. (“**KeyBank**”) by its undersigned attorneys, respectfully represents as follows:

1. KeyBank, which is the Debtors’ primary depository, has rights and claims under various account agreements with the Debtors, including one or more account control agreements, cash management services agreements and automated clearing house electronic data interchange service schedules (collectively, the “**Account Agreements**”).

2. KeyBank has objections to certain provisions in the forms of the orders proposed by the Debtors’ in connection with the Cash Management Motion¹ and DIP Financing Motion² which could affect its rights under the Account Agreements. KeyBank raised its objections in

¹ “**Cash Management Motion**” refers to the Debtors’ Motion for Interim and Final Orders Authorizing: (A) Continued Use of the Debtors’ Cash Management System and Procedures; (B) Maintenance and Continued Use of Existing Bank Accounts; (C) Modification of Certain U.S. Trustee Operating Guidelines Relating to Bank Accounts; and (D) Continuation of Intercompany Transactions and Accordance of Administrative Expense Status to Intercompany Claims [ECF 10].

² “**DIP Financing Motion**” refers to the Debtors’ Motion for Interim and Final Orders Under Section 105, 361, 362, 363(b), 363(c)(2), 364(c)(1), 364(c)(2), 364(d)(1), 364(e) and 507 of the Bankruptcy Code: (I) Authorizing Debtors to (A) Obtain Postpetition Financing and (B) Use Cash Collateral; (II) Granting Adequate Protection to the Prepetition Secured Parties; and (III) Scheduling a Final Hearing [ECF 16].

connection with the interim hearing on these motions. As result, the interim orders entered by the Court incorporated several language modifications that were negotiated with the Debtors to address these issues.

3. Counsel for the Debtors has indicated that the proposed forms of the final orders will be modified to incorporate the same modifications made to the interim orders. If these changes are carried through, KeyBank's objections to the motions will be resolved. However, KeyBank reserves the right to amend or supplement this limited objection in the event that appropriate modifications are not included in the proposed final orders.

Dated: December 6, 2016
New York, New York

Respectfully submitted,

REED SMITH LLP

/s/ Michael J. Venditto

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